

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 798 - HB 1040

March 15, 2021

SUMMARY OF ORIGINAL BILL: Prohibits any state official or employee from bidding on, selling, offering for sale, or possessing any interest in selling, a service to the state during the individual's tenure with the state, or for six months thereafter.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (005181): Deletes and replaces all language after the enacting clause. Prohibits any member of the General Assembly or any entity in which the member has a controlling interest, from bidding on, selling, or offering for sale a service to the state during the tenure of such member's office, or for six months thereafter. Exempts employment contracts, including indigent defense contracts, and fulfillment of a contract for services entered into prior to the member's election to the General Assembly.

Disqualifies any person convicted of such offenses from ever again holding any office under the laws or constitution of Tennessee.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The proposed legislation prohibits any member of the General Assembly or any entity in which the member has a controlling interest, to bid on, sell, or offer for sale, any service to the state during the tenure of such member's office, or for six months thereafter.
- Under the proposed legislation, and pursuant to Tenn. Code Ann. § 12-4-103(c), any such violation is a Class E felony.
- The restrictions on members of the General Assembly and entities in which they possess a controlling interest, with the exception of employment contracts, including indigent defense contracts, and fulfillment of a contract for services entered into prior to the member's election will not significantly alter the policies or procedures of the Department of General Services or the Central Procurement Office, nor are they

expected to significantly shrink the pool of services available to the state. Any fiscal impact to state government is estimated to be not significant.

- There will not be a sufficient number of Class E felony prosecutions for state government to experience any significant increase in revenue of liability and interest paid or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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